

# WESTERN WATER: DEALING WITH DROUGHT



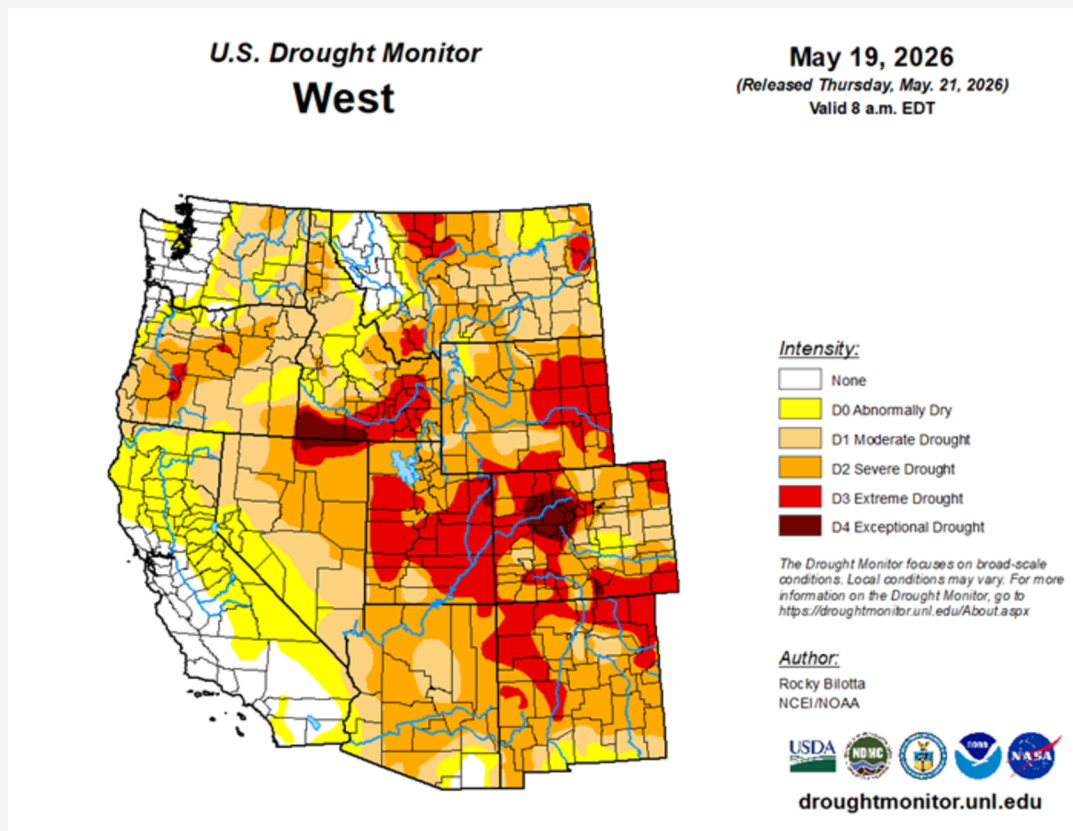
CONGRESSIONAL  
**WESTERN CAUCUS**  
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# BACKGROUND

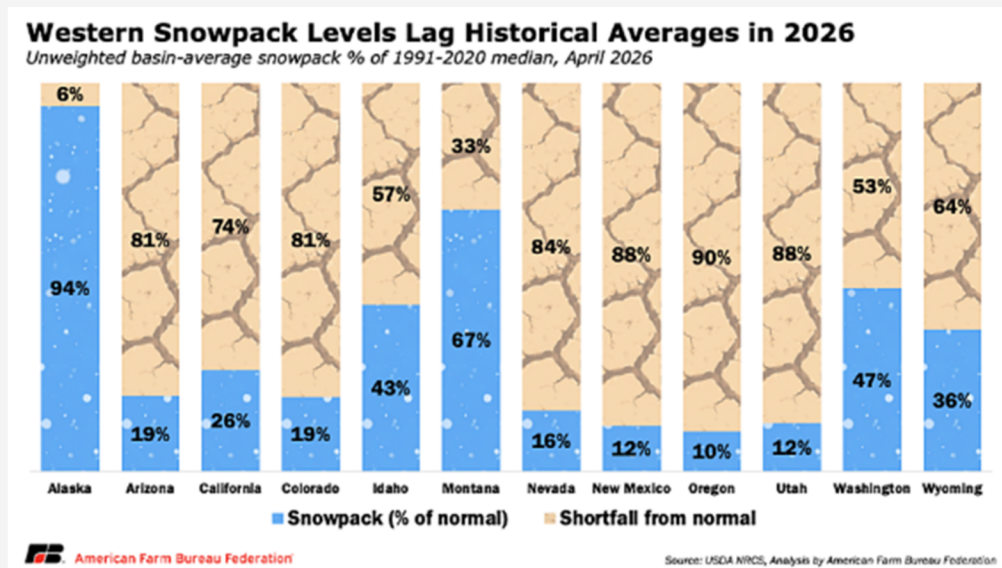
The Western United States is largely made up of arid and desert climates, meaning that even in wet years, many Western states (excluding the Pacific Northwest) see less than ten to twenty inches of precipitation. This has made the West extremely reliant on man-made infrastructure, like reservoirs, dams, and irrigation, to conserve and distribute the water necessary to sustain current populations. Therefore, to support Westward expansion, the federal government began creating programs and policies to incentivize irrigation and water conservation projects as early as 1877, with the creation of the Desert Land Act and the Carey Act of 1894—policies granting lands to states and individuals who were willing to irrigate and cultivate arid land.[1] Today, over a century since much of the West’s water infrastructure was built, Western states are facing an extreme long-term drought that is already forcing states and water users to strictly limit their water consumption and begin to ask the question “whose water will be cut off first?”

# DROUGHT STATUS

Since 2000, the Western states have been in an unrelenting “megadrought,” making the last twenty-six years the driest in the history of the American West. In this time, these states have had to consistently tap into their water reserves, leading to the crisis that the West—including the states that depend upon the Colorado River—are seeing today.



- Exacerbating the record low precipitation, there has been record high heat causing a decrease in snowfall even when rainfall increases. Historically, snowpack has provided up to 75% of the total water in many Western states, particularly those dependent upon mountain headwaters. These states have relied upon the natural pace of snowmelt to conserve water throughout the year and used irrigation methods to distribute the water as it melted. As annual temperatures increase, these states are receiving less snowfall and lack the infrastructure necessary to trap and conserve rainfall, leaving them without significant water reserves for the dry season. [2]



- In April of 2026, most Western basins are tracking between 10% - 50% of their median levels and reporting snowpack at 10% - 15% of the normal level. Weather projections indicate that these conditions are only going to worsen throughout the year. [3]
- This year's peak snowpack is the lowest on record in Wyoming, Utah, Colorado, and New Mexico, with recorded minimum 32% - 53% below any previous year. In Idaho, record high temperatures meant that only the state's highest elevations received snow, something which has never been recorded in the state's history. [4]
- Decreased snowpack and quickened snowmelt create uncertainty for farmers during the planting season, as they must decide what to plant without knowing if there will be enough water to carry their crops through harvest. Miscalculations leave farmers to carry the costs of fertilizer, water, and all other associated expenses of growing, for crops that will die before they can be sold. This is an especially dangerous calculation for small family farms and specialty crop producers which are far less likely to have crop insurance than their larger counterparts.

- The ongoing drought has caused Western states to tap into their water reserves, year after year, leading to the gradual emptying of many lakes and reservoirs. For example, Lake Powell and Lake Mead are the largest reservoirs in the United States, with maximum capacities above 24,000,000 acre feet. Both reservoirs are in Nevada and Arizona, and are the most significant reservoirs for hydropower production, water conservation, and recreation along the entire Colorado River – which crosses seven states. Today, both reservoirs are below 30% storage capacity.[5]
- The cost of Western drought is felt across the entire United States and in every country that depends upon American-made food; Western states produce over 70% off all specialty crops in the U.S.

## THE BUREAU OF RECLAMATION

While most water infrastructure is managed and maintained by local entities, the Bureau of Reclamation is the largest owner of water infrastructure in the West. Created in 1902, the Bureau of Reclamation (Reclamation) funds and supports the development of water and hydropower infrastructure in 17 Western states.[6][7][8]

- Reclamation provides cost-sharing and loan options to state and local governments for the construction and maintenance of water projects.
- Reclamation projects deliver 10 trillion gallons of water to more than 31 million people annually, including one in five farms in the West. There are approximately 500 dams, 300 reservoirs, and 81 power facilities owned by Reclamation.
- There are two categories of Reclamation facilities: **reserved works** are owned and operated by Reclamation, while **transferred works** are owned by Reclamation but maintained and utilized by non-federal entities, like local irrigation and conservation districts. Transferred works are more common, making up two thirds of all Reclamation facilities.
  - The *Dingell Act of 2019* now allows title transfer from Reclamation to project beneficiaries and managers, including irrigators, municipal water suppliers, and hydropower contractors, without Congressional action.
- Traditionally, through the *Reclamation Act*, there was a clear structure for Reclamation loans. Title Six of the *Reclamation Act* laid out an investment plan for Reclamation and local entities. [9]
  - 1) **Federal Investment:** Congress generally provided full, up-front funding for relevant construction projects through discretionary and supplemental appropriations
  - 2) **Local Repayment:** Project beneficiaries generally repaid their portion of project costs over a 40- to 50-year term.
  - 3) **Local Stewardship:** After repaying the contract costs, relevant contractors and beneficiaries would take full operational control of the Reclamation project.

- There are various programs managed by Reclamation that provide financial support for the construction and maintenance of Western irrigation, conservation, and conveyance structures.[10]
  - The WIIN Act Storage Projects program provides federal cost sharing for surface and groundwater storage projects. The program received \$335 million in Congressional appropriations in FY2025, to fund up to 50% of the cost of federally owned storage projects and up to 25% of the cost of state-led storage projects.
  - Title XVI Projects were authorized in the Reclamation Projects Authorization and Adjustment Act of 1992, to investigate opportunities to reclaim and reuse wastewater and impaired surface water, these projects are authorized for up to 25% of project costs, capped at \$20 million, except when the project is considered “large-scale,” meaning that total project costs will be more than \$500 million.
  - Additionally authorized in Title XVI are desalination projects. Desalination projects treat ocean or brackish water to create drinkable, usable water. These projects are known for being extremely costly and are unfeasible for most communities. Reclamation is authorized to provide up to 25% cost share for approved desalination projects. In FY2025, Congress appropriated \$7 million for desalination projects, with additional funding appropriated in the IJA.
  
- *The structure and expectations of Reclamation loans have largely changed in recent years.* Now, water contractors and beneficiaries are typically responsible for financing maintenance and infrastructure investments for existing federally owned facilities. Congress no longer consistently provides full, upfront capital investments, leaving local entities and contracts to find the funding for these vital, costly projects.
  - Many water users cannot afford the costs associated with the maintenance and improvement of Reclamation projects, meaning that the work remains undone. To exacerbate the issue, local water users must pay to maintain Reclamation projects for environmental purposes, due to federal regulations, even when those environmental regulations make the water unusable for municipal, agricultural, and recreational purposes.
  
- While Congress has decreased its support and involvement in water infrastructure across the West, water users are facing increased costs for the maintenance and construction of necessary water projects, that are heightened by the burden of regulatory compliance. Permitting delays, environmental reviews, ESA compliance, duplicative analysis and permitting requirements, litigation risks, and inconsistent agency processes all contribute to the price increases and time delays that are severely damaging the development of modern water infrastructure across the rapidly drying West. The pace of project delivery can no longer keep up with the scale and demand of Western water challenges.
  - The National Environmental Policy Act (NEPA), National Historic Preservation Act (NHPA), Endangered Species Act (ESA), and Clean Water Act (CWA) are frequently cited as the primary regulatory blockades to water infrastructure development.

# CONCLUSION

Since the original investments that allowed Americans to thrive in the West, water infrastructure have aged significantly. That same infrastructure, both conveyance systems and reservoirs, were not designed for the modern climate of decreased snowpack, higher temperatures, and shifting seasons. As they capture less water than ever before, they are also expected to feed, water, and fuel millions more Americans than ever anticipated.

As the Western reservoirs dry up, municipalities, states, and the Bureau of Reclamation are forced to make the decision: who gets water this year? In states where water supplies are already running dangerously low, everyday Americans are already living under strict water-use restrictions. Without serious investment and regulatory relief, these restrictions will only continue to become increasingly punitive and damaging, especially for agricultural producers.

# SOURCES

- [1] BLM. <https://www.blm.gov/sites/default/files/Desert%20Land%20Entries.pdf>
- [2] <https://www.fb.org/market-intel/weak-snowpack-signals-tight-water-supplies-for-western-agriculture>
- [3] <https://www.fb.org/market-intel/weak-snowpack-signals-tight-water-supplies-for-western-agriculture>
- [4] Drought.gov, "Snow Drought Current Conditions and Impacts in the West" (2026). <https://www.drought.gov/drought-status-updates/snow-drought-current-conditions-and-impacts-west-2026-05-14>.
- [5] Colorado Department of Natural Resources, "Water Reservoir Health Check." <https://coloradoriver.com/reservoir-health/>.
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- [7] Bureau of Reclamation, "Reclamation History" <https://www.usbr.gov/history/>
- [8] CRS. "Bureau of Reclamation Project Authorization and Financing." (2018). <https://www.congress.gov/crs-product/IF10806>.
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